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MESSAGE

OF THE

Executive of Maryland

TO THE

GENERAL ASSEMBLY.

JANUARY SESSION, 1853.

ANNAPOLIS:
THOS. E. MARTIN, PRINTER.
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MESSAGE.

Fellow-Citizens of the Senate,
and House of Delegates:

It is my privilege again to congratulate you on the prosperous condition of the State. That heart would be indeed callous, and that intellect obtuse, which could not appreciate, or would not acknowledge the extraordinary blessings conferred upon this State and Nation, by a Merciful Providence. The people of Maryland have escaped the perils of their financial struggle—they have filled their treasury from the proceeds of a well-remunerated industry—they have enriched their State with the most valuable products of Labor, and the greatest revelations of practical Art—they have seen their vast Agricultural Interest expand with a steady development—they have witnessed the wonderful strides of their Commercial Metropolis to greatness and power—and, all of these results have been accomplished as unconsciously, almost, as the silent growth of the oak, or the swelling of the tide; whilst national peace, domestic happiness, and the innumerable joys of social life have brightened the pathway of their progress. Nor, does their motive for gratitude end here; here, it only begins. The serpent of discord, which had glided unperceived, into the very sanctuary of the National Liberties, has been crushed; the triumph of Reason and Justice has quelled the agitations of Fanaticism; and the whole people have crowded around a common altar, to offer up their discordant interests and their conflicting opinions, as a holocaust to Freedom and Humanity. Such a spectacle exceeds, in sublimity, the grandest exhibitions of inanimate Nature, in pro-

portion as the Spirit of Man, and the magnitude of his temporal destiny transcend the unconscious Earth, upon which he treads. Surely, it is for this, above all other blessings, Gentlemen, that we should humble ourselves in thanksgiving, before the August Benefactor of the Nation.

In my last Annual Message, I so fully expressed my views in regard to the legislation suggested by the new Constitution, that a repetition of them herein would be superfluous. I again respectfully invite your attention to the amendment of the election laws—the revision of the criminal code, especially in regard to the inequality of punishments—the Acts of Assembly relating to pardons and the remission of fines, forfeitures and penalties—the modification of the tax on civil commissions—the ascertainment of the number and respective salaries of the deputy clerks, or other assistants, to be hereafter employed by the Clerks of Courts and Registers of Wills; at least, so far as relates to the City of Baltimore; in order that the spirit and intendment of Article III, Section 40 of the Constitution, which limits the compensation of Clerks of Courts and Registers of Wills, severally, to the sum of twenty-five hundred dollars per annum, over and above office expenses and the pay of assistants, may not be practically defeated, by the payment of exorbitant salaries or the employment of unnecessary deputies—and the legislative construction of Article X, Section 1, which fixes the sum of three thousand dollars as the limit of the annual compensation of public officers. Upon this last subject, it may be well to remark that some have doubted as to whether or not a gross or a net income of three thousand dollars is contemplated. I think that there can be no question upon this point. The Constitution must intend simply to abolish exorbitant incomes; and it has accordingly established a maximum. There are offices in the State, which would not only be valueless, but absolutely a burden to the incumbents, if the opposite construction were admitted. The necessary expenses, therefore, of each office should be allowed out of the gross receipts; and the extent and character of those expenses should be well defined by law.

It is generally believed that the offices of the Clerks of the Courts of the City of Baltimore, yield large revenues from fees to the incumbents, greatly beyond what would be required to pay their Constitutional salary of twenty-five hundred dollars each, after the deduction of reasonable Clerk-hire and all other necessary expenses. One year has now elapsed, since the election and qualification of the present incumbents; so that, any law which you may pass, for the purpose of carrying into effect the fortieth section of Article III of the Constitution, should be made retrospec, tive; in order that, a settlement for the past year may be promptly obtained. I also again urge upon your consideration, the propriety of the adoption of an entirely new system, for the issuing

of licenses by the different Clerks in the State. It is impossible now to ascertain, otherwise than from the returns of those officers themselves, what amount is collected, except in the single instance of marriage licenses, where the tax is specific, and where a certain number of blanks is transmitted to each Clerk by the Treasury Department. The plan suggested by me, at your last session, of requiring the Clerks to publish, once a year, an alphabetical list of all those to whom licenses may have been granted, and the amounts severally paid for the same, is the one which, I think, would prove the most effective. Still, if it should be considered objectionable, you may require the Comptroller to furnish graduated blanks, and take receipts for them. Both of these suggestions, indeed, might be advantageously adopted.

That part of the revenue accruing from the indirect taxes, in the City and County of Baltimore, which was formerly collected by the Clerks of Baltimore City and County Courts, and the Register of Wills for the City and County, is now collected by the Clerks of the Superior Court and the Court of Common Pleas of Baltimore City, the Clerk of the Circuit Court for Baltimore County, and the two Registers of Wills for the City and County respectively. I regret to be obliged to inform you that the revenue derived from these sources, in the last fiscal year, was less, by upwards of thirty thousand dollars, than that received in the preceding year. In the fiscal year 1851, the Clerks of the former City and County Courts paid into the Treasury $114,639.03. In the last year, the three present Clerks, above specified, accounted for $101,277.19; showing a decrease of $13,361.84. In the former year, the Register of Wills for the City and County paid into the Treasury $41,198.72. In the last year, the Register of Wills for Baltimore City paid $23,046.16, and the Register of Wills for Baltimore County paid $1,433.82; making an aggregate of $24,479.98; and showing a decrease of $16,718.74. The total deficiency in the revenue from these sources, for the last year, is, therefore, $30,080.58. Upon an exhibit of receipts for 1852, furnished to me by the Comptroller, and after a careful examination of the Reports of the Treasurer for the six previous years, I have prepared, and submit to you, the following table and comparative statement:

Returns for the year 1851, *by the Clerks of the former Baltimore City and County Courts; and for the year* 1852, *by the Clerks of the Superior Court and Court of Common Pleas of Baltimore City, and the Clerk of the Circuit Court for Baltimore County.*

FROM	1851	1852	Increase.	Decrease.
Tax on certain officers	$1,275 00	no returns.	.....	1,275 00
Licenses for Wood Hucksters	937 66	1,150 81	213 15	.....
Marriage	7,204 80	6,456 32	.....	748 48
Ordinary	24,875 66	23,550 93	.....	1,324 73
Traders	50,380 82	49,757 38	.....	623 44
Billiard Tables	1,036 91	1,397 51	360 60	.....
Brokers	4,222 00	4,670 50	448 50	.....
Non-resident	5,723 00	2,443 00	.....	3,280 00
Hawkers and Pedlars	3,781 00	2,786 10	.....	994 90
Exhibitions	146 30	95 00	.....	51 30
Tax on Plaintiffs	3,084 00	725 80	.....	2,358 20
" Civil Commissions	1,029 80	2,481 40	1,451 60	.....
" Trustees and Receivers	1,937 38	416 13	.....	1,521 25
" Stamps	9,004 70	5,346 31	.....	3,658 39
	114,639 03	101,277 19	2,473 85	15,835 69
Amount of Increase				2,473 85
Aggregate Decrease in 1852				13,361 84

The gross receipts from the items of revenue given in the above table were, in 1846, $76,004.79; in 1847, $91,860.40; in 1848, $88,873.62; in 1849, $101,299.03; in 1850, $98,661.63; in 1851, $114,639.03; in 1852, $101,277.19; and the increase of the last over the first year named, comprising a period of seven years, was only $25,272.40; whilst, the decrease of the last year, upon the returns for the year 1851, has been shown to be $13,-361.84. It will also be perceived that there is a falling off, as compared with the receipts for 1849; and, but a small increase over those of 1850.

In the fifteenth section of Article IV, the Constitution imposes upon the Clerk of the Court of Common Pleas of Baltimore City, the duty of issuing all marriage and other licenses required by law; which he accordingly does. The Clerk of the Superior Court, therefore, accounts to the Treasury upon the last four items specified in the above table; and, only in part, for the aggregate item given under the head of "Tax on Plaintiffs." He returned, during the past year, a gross amount of $7,859.40; to which must be added, for the purpose of comparison, the returns of the Clerk of the Circuit Court for Baltimore County, upon the last five items, amounting to $899.82; showing an aggregate of $8,759.22. The Clerk of the former Baltimore County Court, (whose account embraced both returns) paid into

the Treasury, in the fiscal year 1851, on account of the same five items of revenue, the sum of $12,500.73; which shows a decrease, on these items, for the last year, of $3,741.51. A part of this decrease, however, is to be accounted for, by the reduction of the Tax on Plaintiffs, from the former rate of two dollars on each writ, to the present rate of fifty cents. A further allowance must also be made, because this Tax, which was heretofore collected exclusively by the Clerk of Baltimore County Court, is now divided between the Clerks of the Superior Court and Court of Common Pleas; the former of whom returned, in the last year, $348.65, and the latter $305.42.

The aggregate receipts from the Clerk of the former Baltimore City Court, for the year 1851, were $83,128.39; and the aggregate receipts from the Clerk of the Court of Common Pleas, for the last year, were $85,908.37; which would seem to show an increase of $2,779.98. But, in fact, there is a large decrease; because, the Clerk of the Court of Common Pleas accounts, in the above aggregate, for $5,422.72 derived from licenses on marriages; for $2,054.60 from licenses of Hawkers and Pedlars; and for $305.42 derived from the Tax on Plaintiffs; making an aggregate of $7,782.74; with the collection of which items of revenue the Clerk of the former Baltimore City Court had nothing to do; and which are not, therefore, embraced in his aggregate of $83,128.39; whereas, all the items of revenue, which were collected by the Clerk of the former Baltimore City Court, are now collected by the Clerk of the Court of Common Pleas. If, therefore, the returns of the Clerk of the former Baltimore City Court, for 1851, are credited with $7.782.74, they will exceed the returns of the Clerk of the Court of Common Pleas, for 1852, by the sum of $5,002.76—to which must be further added the sum of $2,185, returned on account of Broker's licenses, in 1851, by the Clerk of the former Baltimore County Court; which should properly enter into the account of the Clerk of the Court of Common Pleas, who now alone collects the revenues from that source; and which must, therefore, be estimated as a part of the gross amount of decrease, in comparison with the returns of the Clerk of the former Baltimore City Court, for 1851. This sum added to the amount of decrease ($5,002.76) above given, would show an actual decrease in the receipts from the Clerk of the Court of Common Pleas, upon the several items of revenue specified, of $7,187.76, estimated solely upon the basis of the returns made by the Clerk of the former Baltimore City Court, for the year 1851.

From the above exhibits, which I carefully prepared from the statement of the Comptroller, and the Reports of the Treasurer for past years, it would seem that the augmentation of those

revenues has been remarkably slow, in view of the vast accessions made to the capital and population of the City of Baltimore, since the year 1846.

Although it was necessary to embrace, in the preceding estimates, the revenue collected by the Clerk of the Circuit Court for Baltimore County, in order that, a comparison might be instituted between the aggregate receipts for the last two years respectively; still, it is proper for me to remark here that, that Clerk, like the other Clerks of Circuit Courts, collects only that portion of the revenue, which accrues within his County; whereas, the Clerk of the former Baltimore County Court also collected much of the revenue which accrued in the City; and made a general return of all in the same account. The Clerk of the Circuit Court for Baltimore County returned, in the last year, the sum of $7,509.42; which, I presume, does not vary materially from the amount derived, in 1851, from that County; although, upon this point, I cannot give you an exact statement.

It is, also, proper that I should state that the receipts from the Register of Wills of Baltimore City and County, in 1851, were unusually large; and cannot, therefore, be well contrasted with the receipts, for 1852, from the Registers of Wills for Baltimore City and County respectively. The receipts from the Register of Wills, when the City and County were united, were, in 1847, $8,243.91; in 1848, $13,686.43; in 1849, $16,341.60; and in 1850, $23,358.33; which show a very moderate annual augmentation; but, that the returns, for 1852, were larger than those of any preceding year, with the exception of the year 1851.

The returns from the Counties, (exclusive of Baltimore County, which is included in the preceding estimates,) on account of the indirect revenue, for the last year, are highly satisfactory. The whole amount paid into the Treasury by the Clerks of Counties (Baltimore County excepted) in the year 1851, was $66,822.50; whereas, the present Clerks of the Circuit Courts for the several Counties (Baltimore County excepted) alone paid in, for the last year, the aggregate sum of $68,706.02; showing an increase, that far only, of $1,883.52; to which must be added the further amount of $9,068.42 paid in, during the same period, by former County Clerks, showing an aggregate amount of receipts, for 1852, of $77,774.44, and exhibiting an increase, over the receipts of the year previous, of $10,951.94. This is a correct estimate; because, the gross receipts, for 1851, are credited with all payments made on account of arrearages, during that year. The Registers of Wills for the Counties (Baltimore County excepted) returned the aggregate sum of $20,545.33, in the year 1851; the present Registers for the Counties (with the same exception) returned $19,412.98, in the last year; to which must be added the

sum of $5,224.39, returned, during the same period, by former Registers for Counties; showing an aggregate of receipts from Registers, for 1852, of $24,637.37, and an increase, over 1851, of $4,092.04. This increase, added to that upon the returns from Clerks, ($10,951.94) will show an aggregate increase from Counties of 15,043.98. If we here give a credit to the amount of decrease in Baltimore City (viz: $30,080.58) of the sum of $5,040.27, which was paid in by the Clerks of the former Baltimore City and County Courts, during the last year; and thus, apparently reduce the amount of actual decrease to the sum of $25,040.31; we shall, still, find that the decrease, in the City, exceeds the increase in the Counties, by the sum of $9,996.33. The increase in the Counties is fully proportionate to the comparative slowness of their growth. The decrease in the City is an anomalous disagreement with the steady and rapid expansion of her resources. It is, no doubt, susceptible of explanation; and, I am persuaded that it would be as agreeable to the collecting officers themselves, as it certainly would be satisfactory to the Public, that some such law, as the one I have recommended, should be passed.

Last year, I treated at length of the condition and prospects of the several Internal Improvement Companies, principally in the relation which they bear to the financial resources of the State. Upon that exhibit, and the more extended evidences of prosperity, afforded by the fiscal operations of the five preceding years, I predicated the financial policy suggested in my last Annual Message. It will not be necessary, therefore, that I should review, in this communication, the past history of those Companies.

It is a source of profound gratification to me, as it will doubtlessly be to you, that I have it in my power to announce the completion of the Baltimore and Ohio Rail Road to the Ohio River. No more important announcement than this has been made to the people of Maryland, for the last half century. The report of a victory, or the news of a conquest, may create a greater temporary excitement in the hearts of men; but, to a reflecting mind, the triumph achieved over Nature by the hand of Art, in the construction of this great highway of commerce, suggests thoughts and emotions that can only be measured by the magnitude and duration of the benefits, which it promises to the present and future generations. Who can set limits to the wealth, and the resources of power, which will flow, in a golden stream, from the shores of the Pacific, through the rich civilization of the Mississippi Valley, into the Commercial Metropolis of Maryland; and, who can doubt that the prosperity of the State will be commensurate with her greatness. The year 1853 is the first of a new era, which will be rendered memorable in all future time.

This great enterprize has been prosecuted and completed under the weight of many difficulties, some of which were not fully

known to the public. A wise administration of its affairs, a happy combination of discretion and boldness, and the unwavering support of its public-spirited friends, have at length carried it through to a successful termination.

During the past fiscal year, the Washington Branch paid to the State, on account of dividends, the sum of $44,000, being the same as that of the year previous; and it also paid, on account of Capitation Tax, $59,826.69, showing an increase over the year previous of $2,602.96; over the year 1850, of $7,304.72; and over the year 1849, of $7,806.92; which indicates the permanency of that source of the revenues of the State. How far it may be considered good policy to continue this tax, will here after become a question worthy of consideration.

The monetary affairs of this Company, so lucidly set forth in the last Annual Report of the President and Directors, and already made public, are highly satisfactory, and require no comment at my hands.

Misfortune seems to attend the Chesapeake and Ohio Canal. But a year ago, I congratulated you upon its final completion, and expressed the hope that it would at last begin to realize a long-deferred prosperity; and now, I am again called upon to refer to a new calamity. In the midst of the Spring Trade of last year, an unprecedented freshet swept over the Work, disabling it so completely, as to suspend navigation, from April until the close of July; thereby occasioning the loss of three of the best months of the business season of the year. An expenditure of one hundred thousand dollars, it is estimated, will have been caused by that freshet. In reply to a letter addressed by me to the President of the Company, a statement has been furnished; in which it is said that, to the cost of repairs rendered necessary by the disaster mentioned, "must be added the loss of revenue during the suspension of the navigation; the general interruption to business connected with, and, in some cases, diverted from the Canal; the postponement of arrangements contemplated for the Coal Trade; and the want of confidence, to some extent, in the Canal, as a reliable source of transportation." The whole loss is put down at two hundred thousand dollars. The freshet of April was followed by two or three breaches in the embankments, which occurred during the months of August and September; and by which the navigation was further suspended for one month. Since that time, the navigation has not been interrupted; and the amount of tolls were greater than those received in the corresponding period of any previous year. You will be able, with these facts before you, to account for the unsatisfactory results, which this Company exhibits, for the past year. It is proper, however, that I should here remark that, the Work is represented to be in a better condition, than it was before the freshet

of April; and that the repairs made have been projected upon a scale, which is deemed sufficient to guard against like disasters in the future.

The Canal, during the past year, was navigated for only about six months. The tolls collected from the first of January to the thirtieth of November, 1852, amount to $78,486.55; which, with the estimate for December, will swell the aggregate to about ninety thousand dollars. To this sum may be added three thousand dollars for water-rents; which will give the gross revenue, for the year. The whole tonnage of all articles transported, for various distances, from January to December, was, ascending, 13,548 tons; descending, 127,447 tons; which, with the estimate for December, will show an aggregate of 160,000, tons for the year. Of that quantity, ninety thousand tons are claimed as "*equivalent tonnage*," within the meaning of the Act of 1844, Chapter 281, which requires an average annual transportation of 195,000 tons of tonnage upon the entire line from Cumberland to Georgetown, for five years, dating from the end of six months after the completion of the Work. The whole quantity of coal transported to various points on the Canal, during the year, (allowing 10,239 tons as the estimate for December,) will not exceed 63,000 tons. This is to be attributed not only to the causes already named, but, also, to circumstances connected with the operations of the Mining Companies of Allegany County, over which the Canal Company had no control. It will be perceived that, notwithstanding the many untoward events of the year, the revenue fell but twenty thousand dollars below that of 1851: and, the President estimates that the actual receipts would have been one hundred per cent. greater than they were, but for the unfortunate accidents of April, August and September. He adds: "the same causes will affect the revenue of 1853, to some extent; but, the probability is, that it will amount to $250,000, if nothing should happen to interrupt the navigation of the Canal; in which case, the Company will be able to resume the payment of interest on its preferred debts on the first of January, 1854."

After the disaster of April, and before it was ascertained that sufficient funds could be negotiated for the repair of the damages, the preparations, previously commenced for increasing the means of transportation, were immediately arrested; which seriously affected the general business of the Canal, after navigation had been resumed. There are, now, two hundred and thirty-seven boats registered; and, it is estimated, that, of that number, one hundred and sixty are engaged in the Coal Trade, capable of carrying from one hundred to one hundred and thirty tons of Coal to the load, and of making two full trips per month; which, in a navigation of nine months, would secure the transportation of about three hundred and forty thousand tons of Coal, over the whole line to Tide Water.

Although, the operations of this Company, for the past year, must cause disappointment, nevertheless, my confidence in the ultimate success of the Work is still unshaken.

I am informed by the President of the Susquehanna and Tide Water Canal Companies that, the amount of transportation, the gross and net revenues, and other exhibits, for their fiscal year, which closed on the thirty-first of December last, will not be found to differ materially from the published Report of the year previous. The receipts for tolls, in the fiscal year ending on the thirty-first of December, 1851, amounted to $164,445.82, being an increase of $7,480.77 over the receipts of the year before. As I said, in my last Annual Message, the comparative statement, annually published by these Companies, shows a slow but steady advancement, from year to year, for the last twelve years. They have paid to the State the current interest for the year just closed; and, the President assures me that, there is no reason whatever to doubt that it will continue, in future, to be promptly met. He also states that, the revenue of the Companies has been applied, first, to the payment of the expenses of the Works, and then to the payment of the interest to the State, and upon the preferred debt; it not having yet reached a point, which would enable them to apply any portion of it to the payment of even the interest upon the large deferred debt of the Companies, or to Stockholders.

These Companies owe the State something upwards of fifty thousand dollars, on account of deficiencies of interest for former years, which they are now unable to pay. They desire to fund those arrears. It is advisable to permit them to do so. The President assures me that the interest on this proposed bonded debt would be promptly paid; whereas, the arrearages are now wholly unproductive. The bonds might be issued, in such a manner, as to graduate the payments on the principal; by which means, the Companies would not be oppressed, and the debt would be discharged in ample time to meet outstanding obligations of the State, as they mature.

The Baltimore and Susquehanna Rail Road Company paid to the State, during the past fiscal year, the sum of sixty thousand dollars, and, since the close of the fiscal year, the further sum of twenty-five thousand dollars. The President of the Company, in an able communication of the 15th of December last, addressed to me in reply to a call for information, after reviewing at length the general prospects of the Company, and setting forth the grounds upon which a largely increased trade may be expected, from the completion of the several Pennsylvania connections, expresses a confident hope that the Company will hereafter be able fully to meet its engagements to the State; unless the policy of a general extension of the capacity of the Road should be adopted; which could not be done without deferring, for a time, the payment of the current interest due the State.

An impression seems to have recently prevailed that this Road was in a bad state of repair; but, the President informs me that, with the four hundred tons of new rails, laid down during the last two years, the two hundred tons more already purchased, and the re-rolling of the old rails, when removed, no further expenditure will probably be required for this principal item of re-construction.

There is no such marked difference between the exhibits of 1852, and those of 1851, as to require special comment. The President states that, notwithstanding the addition to the Stock of the Road, it is now employed to the full extent of its capacity; and he insists, with much force of argument, that it will be impossible for the Company, with its present Road-Stock, and but a single track, to answer the demands of the great trade, which the completion of the Pennsylvania Works, must shortly bring into existence.

From the brief notice which I have thus taken of the several Internal Improvement Companies, you cannot fail to perceive that, the relation which they (with the exception of the Chesapeake and Ohio Canal Company,) bear to the financial resources of the State, is decidedly favorable; and that, there is every reason to believe that they may be relied upon, in the future, with perfect safety. It was principally in this connexion that I desired to present them to your notice, in my last Annual Message; and, I am gratified that the experience of the year, just closed, confirms the opinions which I then expressed.

The Annual Report of the Treasury Department, for the fiscal year which terminated on the 30th day of November last, will show that the finances of the State still continue to be in a highly prosperous condition.

I deemed it proper, at your last session, as a prelude to the policy which I then suggested, to review briefly the operations of the Treasury, for the ten preceding years, in order that you might have the necessary data before you, by which to judge of the correctness of my opinions. The results of the year just closed will, I think, fully confirm the positions which I then assumed. Nothing more will be now required, in this respect, than simply to lay before you the general exhibits of the last fiscal year.

The whole amount in the Treasury, during the last fiscal year, (exclusive of the sum of $199,442,62, received for and credited to the use of the several Funds,) was $1,530,911;—the expenditures were $1,360,458.72; —and the balance in the Treasury, at the close of the year, was $170,452.28. During the same period, thirty thousand dollars of the matured Public Debt were paid; and $343,088.42 were applied, in pursuance of the provisions of the General Appropriation Act of the last session, to the augmentation of the Sinking Fund. If, therefore, you take the last two sums from the account of expenditures, and add them

to the balance in the Treasury above shown, you will find that the actual surplus revenues of the year amounted to the sum of $543,540,70, after disbursing the sum of $677,456.30 in payment of the current interest on the Public Debt, and the further sum of $309,914, for all other purposes.

From the exhibits of previous years, given in my last Annual Message, and those of the last year, above stated, I think that it would be safe, upon the basis of the Direct Tax, as it now stands, the existing Indirect Revenue Laws, and the average of receipts from the Internal Improvement Companies, to estimate the permanent annual revenue of the State, hereafter, at not less than fifteen hundred thousand dollars. There is due from Collectors of the Direct Tax, as of December 1st, 1852, the aggregate amount of $635,131.42; of which, the sum of $367,455.37 accrued in years anterior to 1852. The arrearages of the Direct Tax are not to be overlooked, in a general estimate of the future resources of the State. It may be well, also, in this connection, to remind you that, after the January session, 1854, the Biennial System will commence; which will save to the Treasury, in every two years thereafter, not less than sixty thousand dollars, on account of expenses of the General Assembly; besides the incidental expenditures which usually attend the legislation of each session. On the first of December 1851, the Sinking Fund amounted to $2,253,796.67. On the first of December last, it amounted to $2,728,075.41 as a matter of account. From which it will be seen that, the Sinking Fund was increased, in the last year, by the sum of $474,278.74; of which, $131,190.32 accrued from its own interest. An additional sum of $42,227.44 will, however, be shortly paid to its use, upon account of redemption of Stock called in; which will swell the aggregate to $2,770,302.85.

Such, Gentlemen, are the highly gratifying results of the fiscal operations of the year just closed.

I was anxious to obtain, if possible, the returns of the Assessors of the Direct Tax, in order that I might present to you a complete statement of the future financial resources of the State. I accordingly addressed a circular letter to the Clerks of the Circuit Courts for the several Counties, and to the Judges of the Appeal Tax Court of Baltimore City, requesting them to furnish me such information as they could obtain. I find, from their replies, that it would be impossible to estimate, with any degree of accuracy, the probable increase of the new assessment over the last. I am inclined to believe, however, that it will exceed fifty millions, and that it cannot fall short of forty millions of dollars. The latter amount would yield, at the present rate of the Direct Tax, an addition to the annual revenues of one hundred thousand dollars. If that amount be added to the surplus revenue of the last year, it will show a clear aggregate surplus of $643,540 70.

That, Gentlemen, is the broad margin, upon which I shall argue the propriety of reducing the taxes of the People. The Tax-payers of Maryland will, at all events, henceforth fully understand this question; and, I am prepared to yield a cheerful acquiescence in their decision.

The Sinking Fund has been pronounced, by some, to be a fallacy. I think that this is not a well matured opinion. The Commentator upon the laws of England declared, ninety years ago, that the Sinking Fund was the last hope of the British nation, and its only domestic resource, for the discharge or moderation of its public debt. His Annotator, many years afterwards, characterized the scheme, as a delusion. But, why? Because, whilst the nation, like an honest man, was paying off its old debt, like an imprudent one, it was still involving itself in new obligations. Is such, however, the condition of things in Maryland? How can it be said that the Sinking Fund of Maryland is a fallacy, when it is actually absorbing the Public Debt, at the rate of hundreds of thousands of dollars per annum. It has been argued that, the Sinking Fund, being invested in the bonds of the State, and receiving its interest from the tax-revenue, as though it were an individual creditor, is, in fact, a meaningless burden; and should, therefore, be abolished, by the cancellation of the stock of which it consists. The Sinking Fund is not a meaningless burden. To symplify the difficulty, let it be supposed that the reliable annual income of the State, one year within the other, will be hereafter, upon the present basis of the direct tax, together with all other existing resources, fifteen hundred thousand dollars; that, even one million of dollars may be required to pay the current interest on the Public Debt, all special appropriations, and all other expenses of the Government; and that, it be determined to lessen the rate of taxation, so as to reduce the annual surplus revenues, from five hundred thousand to two hundred and fifty thousand dollars. That, then, would be the naked proposition. It would be practically immaterial, therefore, in one sense, whether the Sinking Fund were maintained, and the annual interest thereon carried to its credit; or, whether the Fund were abolished, and the amount of that interest carried to the general balance in the Treasury. The Tax-payers of Maryland pay no more interest to the Sinking Fund, upon the bonds of the State purchased for and held to its use, than they would be required to pay upon the same bonds, if held by the public creditors. In either case, consequently, the actual amount of reduction upon the tax-list would be the same; because, it would be predicated upon an estimate of all of the resources of the State. The preservation of the Sinking Fund is to be desired, because it is the tangible nucleus, around which the necessary means, for the progressive liquidation of the Public Debt, are to accumulate, from year to year; and, because it is an arrangement familiar and encouraging to the

popular mind. The fact that, the capital of the Sinking Fund is invested in the stock of the State (which is an accidental circumstance, having no relation to the principle involved,) has, I think, occasioned the error of those, who appear to undervalue its importance. If the Fund consisted of foreign securities, and was compounding an annual interest having no connection with the taxes of the State, the matter would be easily understood. The present mode of investing the increments of the Sinking Fund is altogether a question of safety and convenience; and does not affect the principle of its operations. That principle is, that, the Sinking Fund, besides possessing the faculty of re-production, is a fixed attraction to the loose surplus revenues of each year, and affords a fit subject-matter for definite and well-regulated legislation; whereas, such floating balances, deprived of a nucleus of accumulation, would furnish the occasions for an unsettled financial policy. Moreover, it does not follow, from the limited experiences of the past, that all of the future investments of the Sinking Fund will necessarily be made in State stock. When, in my last Annual Message, I objected to the policy of sending Maryland into the money-market, with a large amount of forced revenues, to purchase her own stock at constantly enhancing prices; and, when I protested strongly against her appearing on 'Change with masses of gold wrung from the overtaxed industry of the State, to speculate in foreign stocks; I did not forget that these same embarrassments might attend the annual re-investments of the Sinking Fund. No one can foresee what degree of difficulty may hereafter exist, in the application of the increments of the Sinking Fund to the purchase of State stock; especially, should you, and your successors, determine that a system of large surplus revenues shall be maintained, for the payment of the Public Debt, more than thirty years before its maturity. Such a policy must unquestionably give to the State stock a rapid appreciation, and thus increase the sacrifices to be made by the State in its purchase. It may, therefore, in the discretion of your successors, at some future period, be deemed advisable temporarily to invest the surplus revenues, in some other mode, than that which is now pursued, simply because it is as feasible as it is safe. Some such possible contingency seems to have been anticipated by the Majority of the Committee on Finance, in the Senate, when, in their Report at your last session, they said that, "it is only when our own bonds cannot be obtained at reasonable rates, that the Treasurer ought to have the choice of purchasing the securities of other States." In that event, the advantages of the systematized policy of a Sinking Fund would be fully conceded. That Fund is a perpetual monument of liquidation. It is a constant monitor against legislative extravagance. The people understand it; and look to it, as a beacon-light of hope. It is simple in its operations; it can produce no harm; and it has been productive of

eminent good. The Constitution, in the twenty-second section of Article III, fully recognizes the practical utility of the Sinking Fund, when it refers to the period, at which that Fund shall equal the outstanding debt of the State. This, likewise, has been called a fallacy; because, it has been said that a Sinking Fund, which consists of a portion of the Public Debt itself, purchased but not cancelled, can possess no intrinsic resources for the payment of an outstanding balance of that debt. It is precisely herein that the misapprehension is to be found. The Constitution contemplates no such absurdity. It does not suppose that a balance is to be paid with a part of the whole. But, it does contemplate that all of the debt (or, so much thereof as the State will be ultimately called upon to pay) can be absorbed, by purchase, into the Sinking Fund; first, by the annual re-investment of its own interest, and secondly, by appropriations granted to its aid from the surplus revenues. When the Sinking Fund, therefore, shall equal in amount, not the outstanding balance of the nominal debt, but that portion of it, for the ultimate payment of which the State must make provision, the debt may be said to be practically cancelled. The Constitution expects that the residue of the apparent debt may rest securely upon the resources of the three productive Internal Improvements, for the benefit of which it was contracted, and which now pay the current interest thereon. I am disposed to concur with the framers of the Constitution, in the opinion that, the Sinking Fund is something more than a fallacy. You cannot fail to perceive, now, that my object, in calling your attention, in my last Annual Message, "to the capabilities of the Sinking Fund in itself, even if left unaided by the general revenues," was simply to show that, the *rate of taxation* necessary to pay the interest, in compound ratio, on that Fund and its annual accretions, and upon the outstanding debt, would of itself be sufficient to accumulate a gross amount, much more than equal to the entire actual and nominal debt of fifteen millions of dollars, two years before the principal portion of it becomes due. Which means simply this; that, if no greater amount of direct and indirect taxes were levied, than would be just sufficient, (in conjunction with the revenues derived from the Public Works,) to pay the annual interest on the Public Debt, the Sinking Fund itself would be able, by compounding its own interest, as it does now, to absorb the whole debt before maturity. The augmentation of the Fund, thereby, could impose no additional burden upon the people, as the annual interest on the entire debt would continue the same; and, as that portion thereof, paid to the Fund, would be only so much withdrawn from the public creditors, whose bonds had been purchased for its use. The Fund would increase, each year demanding a still greater amount of the interest; until, finally, having absorbed the whole debt, it would claim the whole interest. Its function would then

cease; and cancellation begin. The interruption in the regular ratio of compounding (upon the entire Fund, as it now stands) which would be occasioned by the liquidation of such smaller portions of the debt, as will fall due, from time to time, would be more than countervailed, by the annual additions made to the Fund, out of the surplus revenues; as I expressly stated in my last Message. This suggestion pre-supposes that State stock is purchased at par; or, that the increments of the Sinking Fund would be temporarily invested in foreign securities at par. If this could not be accomplished by the policy of a protracted payment of the debt, it certainly could not be expected from that other policy, which proposes to send the State into the market, with enormous annual revenues, to give her Stock an excessive value. That was the view, which I presented of the Sinking Fund, at your last session. That was the great leading fact, which I desired to impress upon the argument. It was offered to your consideration, in order that, you might have additional cause for confidence, beyond that derived from the general exhibits of the Treasury, in the measure suggested by me, for the reduction of the rate of taxation, and the corresponding diminution of the surplus revenues. I did not propose to rely solely upon the accumulations of the Sinking Fund itself; for, I expressly recommended the preservation of a reasonable margin, beyond the apparent annual wants of the Treasury, to be estimated upon an average of the surplus revenues of each year, as a safeguard against accident, and for the extrinsic aid of the Sinking Fund. Hence, I may be permitted to say, with the most perfect respect, that it was wholly unnecessary for the Majority of the Committee on Ways and Means, to argue, in their Report to the House of Delegates, at the last session, that it is the duty of the State to pay its debts; and, that no policy should be pursued, "which would bring discredit on our Stocks, lest we might be obnoxious to the imputation of reducing their value, for the purpose of speculating in them." I cannot perceive that the policy recommended by me has any connection with these truisms. But, I do perceive that that policy, which proposes to pay a debt thirty years before maturity, with enormous surplus revenues annually augmenting, may well be expected to tempt bond-holders to speculate, at the expense of the State. The Majority of the Committee express the confident belief that such a policy would not realize my forebodings; and they illustrated their views, by supposing that the 5 per cent. Stock (which they regard as the portion of the debt to be bought up, and which was then selling at ninety cents in the dollar,) would not rise much above that price, within the next ten years. I cannot foresee what may be the possible developments of the next ten years; but, I can speak with certainty of the transactions of the last fiscal year; which show that all the purchases of 5 per cent. Stock, for the use of the Sinking

Fund, made since the middle of July last, were at par. It appears, then, that a few months have witnessed an appreciation of ten per cent.; which the Majority of the Committee seem to have supposed could not be reasonably apprehended, for the next ten years. The six per cent. Sterling bonds, which, at that time were worth 104, are now quoted in the market at 109; and I can see no reason for their retrograding, nor remaining stationary at present prices. It may be again contended, as it has been heretofore, that the purchase of those bonds, even at a premium of nine per cent., would be an actual gain of three per cent., because of the present difference of twelve per cent. exchange, in favor of London, where they are redeemable. This argument would have much force in it, if Maryland was now under the necessity of paying those bonds; in which case, I presume, the holders would be as likely to see the advantage, and to enhance the price. But, who can say how the rate of exchange will stand, in future years? Who can define the period, for which the balance-sheets of this country will continue to be made up, in England? It is, I believe, one of the calculations of the American People, that the day is fast approaching, when they shall supply the half-fed population of Europe out of the abundance of their granaries, and hold the balance-sheets of the commercial world in their own hands. Suppose the exchange equalized, at the time when the bonds fall due; then, we shall have lost the nine per cent. premium paid for them. Suppose the present rate of exchange reversed; then, we shall have gained but three per cent. in the exchange, allowing for the loss on the premium. Therefore, to purchase at such a premium now, looking to the present rate of exchange only, might not prove to be a profitable operation, in the end.

I do not undertake to say that your refusal to reduce the taxes, at your last session, was the sole cause of this advance in the value of the State stocks. Other general causes, over which your legislation can exercise no control, had something to do with it. But, I am of the opinion, nevertheless, that the extraordinarily prosperous condition of the finances of the State, as shown at the close of the fiscal year 1851, together with the public knowledge of the fact, that the Treasurer was entering the Stock-market with four hundred thousand dollars, appropriated by you, at your last session, for the purchase of State Stock for the use of the Sinking Fund, had still more to do with it. I am equally convinced that, an announcement by you, at this session, of a determination to maintain the present rate of taxes, as a fixed policy, must ultimately produce the results apprehended by me, if no change should occur in the monetary affairs of the country.

It has been objected to the policy of a reduction of the taxes, that some interests, if not relieved, would complain of the relief granted to others. Certainly, this objection can have no force, if it

is intended to apply to the reduction of the direct taxes, which bear with an uniform pressure upon the whole community. If it is designed as an argument against the repeal of the Stamp Tax, then I have only to say that, I select this item from the list of indirect taxes, because I conceive it to be the most impolitic, the least just, and the most inconsistent with the elementary principles of taxation. It taxes credit; not property. It chiefly falls upon commercial men, who are taxed in every other form. They are assessed by the assessor of the direct tax; they pay a license for every privilege of trading; whilst, they are subjected, equally with all other citizens, to the operation of every tax law upon the Statute Book.

It has also been objected by the Majority of the Committee, that one generation has no right, in morals, to impose a debt on a succeeding one. This is true, where the debt is a profitless burden; or, where it is hopelessly irredeemable, like the debt of England. But, is it a violation of the moral law, that one generation should be unwilling to incur the entire cost of a vast system of Internal Improvements, which will be to posterity a certain source of incalculable wealth? Are the tax-payers of this day to deny to their families the comforts of life, and to their children the full blessings of education, in order that four great Public Works (three of which already begin to foreshadow the magnitude of their future destiny) may be bequeathed as an unincumbered gift to future generations? If the father contracts a debt for the permanent improvement of his valuable estate, surely the heir, who reaps the advantage, should not complain of the temporary incumbrance. Besides, who are they of this generation, who suffer the most essential loss from the oppressive taxation, which weighs so heavily upon the industry of the State? They are the thousands of youths, especially in the rural districts, whose School-hours are measured by the resources of their parents. The legacy of a manageable debt is less to be feared by the next generation, than a legacy of ignorance. In a land where plenty abounds, the former may be easily redeemed; whereas, the latter jeopardizes the well-being of Society and the existence of the Government itself.

Calculations have also been made to show the losses which will be sustained by the payments of interest, should the liquidation of the Public Debt be protracted, by a reduction of the taxes. But, it has not been remarked, in this connection, that those payments will be spread over a succession of years, and will be made by successive tax-payers, occasioning severe oppression to none.

The Majority of the Committee report the debt of the State nominally at $15,290,668; from which they deduct the several loans contracted on account of the three productive Public Works, and the Tobacco Loan, amounting, in the aggregate, to

$7,592,734; and they then state the balance (7,697,934) as the actual debt. From this last sum, they deduct the several items of the productive capital of the State, amounting to $924,323; and they then present the sum of $6,773,611, as the actual debt to be provided for, inclusive of the Sinking Fund, as it then stood. If the Sinking Fund, as it now stands, therefore, were deducted from the last amount given, it would make the actual debt to be provided for, upon the calculation of the Majority of the Committee, only a small fraction over four millions of dollars. The Sinking Fund, as it now stands, consequently, will only have to increase to the extent of four millions of dollars, beyond its present amount, in order to cover the outstanding debt. This it would do, by the annual re-investments of its own interest, in less than nineteen years, without the addition of a dollar from the surplus revenues. It would only be necessary, in that case to provide for the current interest of the outstanding debt, which would be annually decreasing, as it became absorbed into the Sinking Fund. But, if extrinsic aid be afforded to the Fund, as I propose, from a reasonable margin to be preserved upon the annual surplus revenues, the time for the final liquidation of the actual debt, as exhibited by the Majority of the Committee, would be still further contracted. If only the sum of two hundred thousand dollars of the surplus revenues be annually invested in 5 per cent. stock; and, if the interest of that sum, in each year, be re-invested, under the present compounding policy of the Fund, an aggregate extrinsic addition, would be obtained for the Fund, of more than three millions seven hundred thousand dollars, in thirteen years. But, if the supposed permanent appropriation of two hundred thousand dollars be annually added to the Sinking Fund, and both operate conjointly, at the rate of five per cent. interest, it will be found that a gross amount of upwards of seven millions of dollars would be produced, in ten years. Thus, it will be seen that, that policy would, in ten years, swell the Sinking Fund to an amount (beyond its present capital,) more than sufficient to absorb the outstanding actual debt, as estimated by the Majority of the Committee. If, therefore, the line of calculation adopted by the Majority of the Committee, is fully admitted, there is still less reason for the continuance of the present exorbitant rate of taxation.

It must be remembered, however, that the debt of Maryland is actually, and in sober fact, $15,260,668.64, less the present amount of the Sinking Fund; for the whole of which she is primarily liable to the public creditors. For, although we have every reason to hope for a different result, nevertheless, should any unanticipated misfortune happen to any one of her productive Works, she would be still responsible for every dollar, which was borrowed by her for its use. I hope it will not be forgotten, here, that the vast bulk of that debt will not fall due until the year 1890.

Can it be said that the Legislatures, by which the several tax-laws were passed, from 1841 to 1847, ever manifested to the People of Maryland the design of providing for the premature payment of this debt, by the extortion of immense tax-revenues from the capitalists and the industrial classes of the State? I can find no Act of the General Assembly, nor Executive recommendation, in any one of those years, which indicates such a purpose. On the contrary, I find in the Message of the Executive, addressed to the Legislature, at the December session, 1847, on the eve of his retiring from office, the following distinct enunciation of the opposite policy: "unless I am deceived in the prospect before us, I shall be disappointed if my successor, before the expiration of his term of service, does not have the privilege to recommend the decrease of the direct tax, or the repeal of some one or more of the other taxes, the imposition of which was imperatively required by the extreme necessities of the State. It has been my unpleasant duty to seize upon every expedient by which money could be placed in the Treasury of the State; it will, I trust, be his more agreeable duty to recommend the repeal of those taxes which, in his judgment, have proved most oppressive to the people." Such was the language held by the Executive, who, during his administration, had faced the difficulties which surrounded Maryland, and afterwards enjoyed the proud satisfaction of seeing her credit redeemed from the disgrace of insolvency. The Statesmen who framed the tax-laws, and the People of Maryland who so patiently submitted to them, have never avowed such a policy, as that which is now advocated by those, who object to an alleviation of their burdens. Those laws have exceeded, in their results, the most sanguine expectations. Neither, have the Internal Improvement Companies (with the exception of one) disappointed the hopes of the State. I do, therefore, gentlemen, earnestly recommend that some relief may be immediately extended to a people, who have borne their necessary privations without complaint; but, who may not so patiently endure the longer continuance of unnecessary sacrifices. I recommended, last year, a reduction of only twenty per cent., on the direct tax; I now recommend a reduction of forty. I also recommend the total repeal of the Stamp Tax, excepting in so far as it operates upon lottery tickets. If the new assessment should add but forty millions of dollars to the existing basis of taxation, it would produce an aggregate of two hundred and thirty-two millions of dollars; yielding, at the present rate of the direct tax, a gross annual income of $580,000. A reduction of forty per cent. upon that amount, would save to the tax-payers, in each year, the sum of two hundred and thirty-two thousand dollars. If to this be added the amount derived from the tax on stamps, in the last fiscal year, it will be found that the entire amount of the reduction proposed by me, will not exceed two hundred and ninety-one thousand dollars.

I respectfully recommend that the fiscal year of the State be made to terminate, hereafter, on the thirtieth day of September. This will bring it to the close of a quarter; whereas, it now ends one month before the close of the last quarter of the year. There is another reason of still greater importance, for the change suggested. It is with great difficulty, that the Report and Accounts of the Treasury Department can be prepared, for the Legislature, within the period prescribed by the Constitution. It is absolutely impossible for the tabular and other important statements to be made out, for the inspection of the Executive, before the time at which the Annual Message is generally closed. He is, therefore, deprived of the advantages of a critical examination of the varied exhibits of the Treasury; and is obliged to depend for information, upon the very general data furnished by the officers of that Department, in reply to his interrogatories. This, again, occasions much embarrassment to those officers, in the midst of the most ardous labors of the fiscal year. It may be proper for me here to state, that the clerical force, now authorized by law, is wholly inadequate to the prompt discharge of the duties in the office of the Comptroller, without taxing the energies of that officer and his present clerk, to an unreasonable extent. I therefore recommend that another Clerk be allowed.

In reply to a communication from me, the President of the Board of Commissioners, who have in charge the erection of the New Insane Asylum, provided for by you at your last session, has informed me that an advantageous site, near the city of Baltimore, has been purchased for the sum of fourteen thousand dollars. As you restricted the expenditure, for the real property, to a maximum of five thousand dollars, the difference, between that amount and the price paid, was contributed by the bounty of private citizens. A deed for the property has been executed, under a decree of the Circuit Court for Baltimore county, sitting as a Court of Equity. The President says: "the sum of five thousand dollars, appropriated to make a commencement with, will be expended by the last of January; and, to carry on the plans promptly and perfect ly, it is estimated that the sum of from sixty to seventy thousand dollars will be required, during the year 1853, payable monthly, in nearly equal instalments." Your ability to contribute such an amount, in a single year, will depend upon the extent of your other appropriations. About three-fourths of the revenues of the State are derived from the direct and indirect taxes, levied on account of the Public Debt, and from the three productive Internal Improvement Companies; which, by Article III, Section 22 of the Constitution, you are expressly inhibited from appropriating to any other purpose than the payment of the principal and interest of the Public Debt, until it shall have been entirely liquidated, or until the Sinking Fund shall be equal to that portion which may remain outstanding. The ordinary revenues are alone chargeable

with appropriations, and with the general expenses of the Government. It may be difficult to meet this expectation of the Board; still, if you find it possible to appropriate the amount, which appears to be necessary for the speedy completion of the Asylum, without sacrificing other important interests, I would recommend you to do so. There can be no doubt but that there is much suffering amongst that large class of unfortunate beings, who, for the want of proper medical treatment, are daily becoming more confirmed in their sad affliction. Humanity, as well as good policy, calls for legislative protection.

The experience of the past year fully demonstrates the propriety of the recommendation which I made to you, at your last session, in regard to the House of Refuge. I do not hesitate to express the decided opinion that there is no one measure, which can form an object of legislative solicitude, as important as the establishment of a House of Refuge for Juvenile Delinquents. The statistics of crime show the appalling fact that a very large proportion of the worst class of criminals consists of youths from the age of fifteen to twenty-two. Many of them, when captured by the Law, and brought within view of the Gallows or the Penitentiary, have disclosed circumstances of early poverty, neglect and abandonment, as the true causes of their vicious career, which reflect most discreditably upon society and the State. Their vices are, frequently, but their misfortunes. I have taken some pains to ascertain the truth of this assertion. If society is always so ready to punish, it cannot be justified in refusing to prevent the commission of crime. It is your solemn duty to do this, at any cost. The delay of every year adds hundreds to the list of felons. Modern civilization has devised no plan more efficient for the reformation of abandoned youth, than that to be found in Houses of Refuge. Such institutions do not contemplate the reclamation of those who, disregarding the lessons of virtuous parents and preceptors, are led by the promptings of a vicious nature into the paths of crime. They are designed, especially, to pluck the burning brand from the fire—to rescue from vice those innumerable children of misfortune, who are only depraved because society has abandoned them to ignorance and the influence of evil example. The Penitentiary of Maryland testifies loudly upon this subject; and yet, where one such young criminal has been convicted, ten have been suffered to go at large. Youth claims impunity; Courts, Juries, and the Executive are appealed to, in its behalf; and many are rescued from the corrupting atmosphere of the Penitentiary, by a natural sympathy for their tender years, who would have been adjudged fit subjects for the mild and corrective discipline of a House of Refuge. Hence, Baltimore City, also, testifies with a peculiar emphasis. I shall not deny, because I believe, that much of the blame is properly attributable to the inefficiency of the municipal regulations of that City; neverthe-

less, the State of Maryland has much to answer for in her refusal heretofore to stretch out a protecting hand. If the authorities of the City of Baltimore deserve censure, for permitting crime to go unchecked or unpunished, the State may well be blamed, for not adopting such a policy as would strongly tend to reach the evil at its source. I sincerely hope that you will concur with me in sentiment; and, that you will make such a liberal appropriation, as will insure the early completion of the House of Refuge. Let it not be said that this Institution (which is intended for, and will eminently serve the whole State,) must inure exclusively to the benefit of the City of Baltimore. This would, indeed, be an ungenerous and a short-sighted objection. Baltimore City contributes largely to the public revenues. She has a right to claim a just return for her contributions. Moreover, if she is permitted to become a nursery for young banditti and murderers, be assured that the Counties will not fail to receive their full share of the consequences.

The Board will ask you to pass an Act appropriating thirty thousand dollars for the current year, and fifteen thousand dollars for each of the three succeeding years. They hope to be able to negotiate whatever additional funds may be required, during the present year, upon the faith of these prospective appropriations. They ask but seventy-five thousand dollars, in all, from the bounty of the State. Baltimore city has already contributed thirty thousand dollars, the last ten thousand of which will be paid out of the levy of this year; and private citizens have advanced an additional sum of nearly twenty-two thousand dollars. The State has, from the beginning, claimed a large representation in the Board of Directors, without having ever contributed a single dollar towards the establishment of the Institution. I sincerely trust that the House of Refuge will be liberally provided for by you, even should it be necessary to curtail or postpone appropriations for other purposes.

Although an allusion to such a subject may be regarded as unusual, nevertheless, circumstances seem to demand that I should refer to the policy of employing White Labor in the State Tobacco Warehouses, which was adopted by me, during your last session. The momentary opposition which this reform elicited, and the attempt by a few to use it as an argument against the whole system of inspections, justify this reference. The question was, by no means, a new one. It had, for many years, been earnestly advocated by a large portion of the laboring classes, as an act of justice to them; in which they were sustained, to a great degree, by public opinion. I disapproved of the system previously in force, for three reasons; first, because, I regarded it as a direct violation of the spirit of the laws regulating the inspection of Tobacco; secondly, because it held out temptations to criminal abuses; and thirdly, because it

was in derogation of the rights of the free white laboring citizens of the State. Upon the first point, it will be sufficient to say, that the Act of 1837, chapter 43, in fixing a specific salary for the Inspectors of Tobacco, and Resolution No. 68, of 1847, in providing, "that no Inspector or Inspectors shall be allowed or receive any larger sum for labor or other necessaries furnished, than he or they have actually paid for the same,"—strongly exclude the presumption that any perquisites, whether arising out of the employment of labor or otherwise, could be legally appropriated by the Inspectors. Yet, it is notorious that many of the Inspectors were in the habit of making large and unusual profits by the employment of their own, or hired slaves, in the work of the Warehouses. Upon the second point, I may be satisfied in calling your attention to the one fact, that the New Constitution has carefully obliterated the last vestige of the system of perquisites; which, in itself, conclusively shows that the people, have, at length, perceived the corrupting influence of this mode of remunerating public officers. And finally, I could not but regard the exclusion, from the public employment, of the free white laboring citizens of the State, as an unjustifiable invasion of their rights. Although but few of them can, under any circumstances, derive practical benefit, from the change which has been effected; still, all are equally interested in the establishment of the principle. Entertaining these views, and having been made fully aware of the difficulties, which, before that time, had defeated various attempts to introduce this policy, I resolved not to appoint any Inspector, who would not energetically co-operate with me, to accomplish the desired reform. When this determination became known, some feeling was excited. It was inconsiderately alleged, by some holding high positions, that it would provoke a dangerous agitation. Whereas, it was, amongst other reasons, precisely to anticipate and prevent such a result, that I deemed it advisable to adopt this measure. It was to show to the great community of laboring men, that the State understood and conceded their rights; whilst, at the same time, she protected the Institution of Slavery, in which they, for the most part, have no interest of ownership. No one will question the entire soundness of the great mass of the laboring people of Maryland, upon every Southern issue. They uphold the domestic institution of the South, because it is a part of their Constitution, recognized by their laws, and woven into the frame-work of their society. Their support is based upon principle; and, I did not wish to see it answered by a discrimination derogatory to the dignity of their labor, under the sanction of the constituted authorities of the State. A question was raised as to my right to annex such a condition to the appointment of the Inspectors. If there is any force in precedent, this question is easily disposed of. No test

of political opinion is to be found in the Constitution of the United States, nor in the Constitution of any State in the Union; and yet, appointments to office, both under the General and State Governments, have been, and probably will continue to be made, upon the strictest tests of political sentiment. This has been justified upon the ground that, an Administration should be privileged to select its agents from amongst those, whose views, upon matters of general policy, coincide with its own. It would be difficult to draw a rational distinction between the discretion exercised by me, in the selection of the Tobacco Inspectors, upon the condition referred to, and that upon which the universal precedent of the Country is based. I am fully satisfied that this reform cannot fail to meet with general approbation.

It is proper, however, that I should here call your attention to the fact, that, the amount of the salary, allowed to the Inspectors of Tobacco, is altogether insufficient. Their labors and responsibilities are great; equal, at least, to those of any of the other Inspectors of the first class. Whilst the State should not pay exorbitant salaries, it certainly should not expect its officers to devote their time and talents to its service, for an inadequate remuneration. I believe that the change in the system of labor, in the warehouses, will cause a reduction in the general expenditures.

This leads me to the consideration of another matter, of which I shall treat very briefly. An effort will be made to induce you to abolish the whole system of Inspections; or, so to modify it, as to substitute licensed Inspectors for those now appointed by the State. To abolish Inspections absolutely, will, I presume, meet with the approbation of comparatively few. It requires no great degree of sagacity to foresee the injurious results of such a measure. But, the more plausible scheme of the license system will be pressed upon your consideration. Powerful influences will be brought to bear, for the attainment of this object. I respectfully caution you against hasty action in the matter. The unprecedented prosperity, visible in every branch of our Industry and Commerce, which has been reached under the present system, should admonish you against inconsiderate change. The principle and object of every system of inspection must be to establish an impartial umpirage between the buyer and the seller, the producer and the consumer. The Arbitrator of valuation must be absolutely independent; so that, full justice may be done to each of the parties interested. The independence of the Inspector must not be jeopardized. Men are not prone to be dishonest, though they may be weak. To remove temptation is to insure integrity. The Inspector who holds his appointment from, and is directly responsible to the Executive, or other Superior Officer of the State, can have no motive to do wrong. But, the licensed Inspector, who depends upon the patronage of the producer, or his Commission Merchant, may not have the moral courage to perform his duty,

with strict impartiality. Past experience has convinced me that the occasions for the exercise of firmness, on the part of Inspectors, in maintaining the market standards of merchandize, are much more frequent than is generally supposed. This may be one reason, why some are found anxious to rid themselves of the wholesome restraints which the present system imposes. It is much more important, however, for the general purposes of justice, as well as for the character of our market abroad, that these salutary restrictions should be rigidly maintained, than that individual interests or prejudices should be gratified.

No subject claimed a more earnest consideration, in the distinguished body, which gave to the State its present Constitution, and none met with a more hearty approval in the popular judgment, than that clause, by which it was enjoined upon you to pass laws, for the exemption from execution of a portion of the property of unfortunate debtors. This humane provision is altogether in consonance with the liberal and enlightened spirit of the age. It is deeply to be regretted that you found it impracticable, at your last session, to discharge this constitutional duty. The difficulty, it appears, grew out of the great diversity of opinion, as to the amount of the limit to be fixed. The Constitution provides that the exemption shall not exceed five hundred dollars. That is a liberal sum; and may serve as an index to the expectations of those who framed the Constitution, and of the people who ratified it. To extend an insufficient relief, as a mere formal compliance with the peremptory requirement of the Constitution, would be to disregard its command, by defeating the object of its solicitude. I, therefore, most earnestly hope that you will, at an early day, and with a liberality worthy of the measure, hasten to gratify the public sentiment upon this subject.

It may be proper here to call your attention again to a kindred matter, alluded to in my last Annual Message. It is not sufficient to secure to the unfortunate the means of physical subsistence; but, it is, also, one of the highest duties of an enlightened Government to provide for the moral and mental cultivation of the people. If this be important, under every conceivable form of human government, how essential must it not be in a Republic, whose institutions rest upon the broad basis of popular intelligence and morality. No nation can be educated, if reduced to the condition of "hewers of wood and drawers of water." If the poor man is obliged to eat his bread by the sweat of his brow, his condition should not be embittered by the deprivation of those means, which are necessary for the attainment of the higher enjoyments of social life, and for the proper discharge of the primary duties of Society. I most urgently recommend the passage of a law, for the regulation of the hours of labor. I am well aware that many difficulties would attend a universal application of the principle. But, I have no reasuo to doubt that,

what has been accomplished by others, is fully within the reach of your wisdom. Certainly, where labor is organized, as in factories, public workshops and elsewhere, there can be no difficulty. More especially should the law be made comprehensive, so far as it may relate to apprentices and children of tender years. When the State shall have thus afforded to the laboring man and his children every opportunity for mental culture, and that bodily recreation which is indispensable to the preservation of vigorous health, it will be their fault, if they should culpably neglect to avail themselves of such precious advantages. I shall conclude these remarks by simply saying that, it is a stigma upon the republican escutcheon of this State, that so little comprehensive statesmanship and zeal should have been manifested, in regard to this great industrial reform, when even Europe, which we are too much in the habit of considering as our inferior in all the elements of Christian civilization, affords us, at this time, at least one forcible example. The organization of labor, in France, not only proves the entire feasibility of the plan, but demonstrates the great practical good, which enures to the masses of the people therefrom. Surely, with a more liberal form of government, larger political experiences, and a closer sympathy with the toiling millions, you should be able to accomplish even more satisfactory results.

I am happy to be able to inform you that, the affairs of the Maryland Penitentiary are in a much better condition than they have been, for many years past. The prompt relief afforded by you, at your last session, has produced a salutary effect; although, it might have been more complete. The excess of expenditures over the receipts, for the year 1851, amounted to $9,302.78; and, for the year just closed, to $7,473.85; making an aggregate deficiency of $16,776.63. The several appropriations, provided for in sections 1 and 2, chapter 151, of the act of 1852, amounting in the aggregate to sixteen thousand dollars, have been applied to the liquidation of those balances, leaving a charge of $776.63 unprovided for. During the current fiscal year, eight thousand dollars will be paid to the Institution by the State, in pursuance of the 3rd Section of the act referred to, on account of the salaries of officers; and will, to that amount, lessen the current expenses for this year. The Board, consequently, hope to be able to pay the deficiency of $776.63 out of the proceeds of this year's operations. For the year 1851, there was a deficiency of active resources to the amount of $13,062.75; and in the past year, there was an excess of $936.98; which shows a difference, in favor of the present year, of $13,999.73. The stock of goods on hand, however, this year, is less than that of the last, by the sum of $6,467.34; deducting which from the difference in active resources, it will be seen that the condition of the Institution is better, this year than the last, by the sum of $7,532.39. It is ne-

cessary here that I should state, lest false hopes of the future be created by this flattering exhibit, that the manufacturing and commercial operations of the Institution, during the last year, were unusually successful, from causes over which it can have no control.

The Board of Directors have several times called my attention to the very great inconvenience arising from the want of a suitable provision for the insane inmates of the Penitentiary. I was requested by the Board, a short time since, to authorize the removal, to the Hospital for the Insane, of a maniac convict whose dangerous disposition rendered it unsafe for him to associate with the other prisoners, and who was pining from the necessary hardships of solitary confinement. Not being empowered by law to do so, and the Legislature having repeatedly declined to adopt the suggestions of the Board of Directors, in this regard, I felt constrained to abstain from interfering. This is an inconvenience, nevertheless, which calls for a speedy remedy; as it occasions serious embarrassment to the officers of the Institution, and causes much suffering to the unfortunate convict. I respectfully recommend that provision be made, for the removal of such lunatic convicts to the Hospital for the Insane, upon the certificate of the attending Physician, the recommendation of the Board, and the approval of the Executive.

I have received and herewith transmit to you the last Annual Report of the Board of Directors of that Institution.

Copies of Resolutions Nos. 5, 8, 10, and 11, of the last session, as therein required, were sent to the Senators, and Representatives of this State, in Congress. Resolutions Nos. 4 and 9 were not required to be sent by the Executive; but, were nevertheless recently transmitted. Allow me here to call your attention to the fact, that, copies of such resolutions are not always furnished to the Executive, at the time of their passage, although, they may require prompt attention; but, are left to be discovered by him, from the printed copy of the Laws and Resolutions. In pursuance of Resolution No. 12, I appointed James M. Buchanan and Otho Scott, Esquires, Commissioners, "to collect all the facts and circumstances connected with the killing of the fugitive slave, in Lancaster County, Pennsylvania, by Archibald G. Ridgely, of Baltimore City; and to confer with the Governor of Pennsylvania relative to the same." Those gentlemen promptly entered upon the discharge of the duties of their delicate mission; which, after much labor, they have finally accomplished with signal discretion and ability. I herewith transmit a copy of their report and of the voluminous proceedings taken under their direction. It is becoming that I should take this occasion to acknowledge the courtesy and spirit of conciliation, manifested by the Executive, and other distinguished citizens of Pennsylvania, during the progress of the investigation. It is a subject for mutual congra-

tulation that this unfortunate accident has produced no unpleasant feelings, in either State.

In pursuance of Chapters 60 and 275 of the Act of the last session, I addressed a communication to the Governor of the State of Virginia, in reference to the appointment of a joint Commission, for the purpose of retracing and marking the boundary lines between that State and this; and, at the same time, I transmitted to him copies of the aforesaid laws. He has replied, notifying me that the matter would be submitted to the consideration of the Legislature of Virginia; since when, no correspondence upon the subject has passed between us.

By the second section, Chapter 106, of the Act of the last session, all commissions, before that time issued to Commissioners to take the acknowledgment of deeds and instruments of writing under seal, out of this State, were continued in force, until the first Monday of May then next ensuing, and until their successors should be appointed and duly qualified; and the Governor was required forthwith to forward a copy of that Act to each of the Commissioners, whose appointment had not been previously revoked or superseded. It was found impossible to comply with this requirement; because, many of them had been in the Commission for a number of years, and the records of the Department, in most cases, did not show their places of residence, within the several States. There is reason to apprehend, therefore, that some of the old Commissioners, who were not reappointed last year, may have continued to act. I respectfully suggest the propriety of your passing a law to make valid the acts of such Commissioners; and, to authorize the Executive to publish a notice of the law of the last session, in each of the States, for a certain period; at the expiration of which, the section referred to may be made to take effect.

On the seventh of April last, the State's Attorney for Allegany County, officially notified me, that a Bill of Indictment had been found by the Grand Jury of that County, charging Robert Swann with the murder of the late William O. Sprigg; that, a formidable array of legal talent had been retained for the Defence; and that, the cause of Public Justice would be promoted by the assignment of Counsel, to assist in the prosecution. I, accordingly, procured the services of Henry May, Esquire, a distinguished member of the Baltimore Bar. At the next succeeding term of the Circuit Court for Allegany County, the case was called for trial; when, it was found that the Judge of that Circuit was disqualified from sitting, by reason of his family connection with the Accused. By an agreement between the Counsel for the State and the Defence, Joseph I. Merrick, Esquire, was appointed to sit in the cause, in accordance with the provisions of the Constitution.

Before the panel of Jurors had been completed, the State's Attorney considered that there was good and sufficient reason to warrant an application for the removal of the case; and, accordingly, upon his filing the usual affidavit, the record was ordered to the Circuit Court for Washington County. The Accused was subsequently admitted to bail in the sum of twenty thousand dollars.

Before the meeting of the Circuit Court for Washington County, I was informed by Mr. May, that he had been appointed a commissioner, for certain purposes, by the Federal Government, with instructions to proceed immediately to Mexico; and I was requested by him to release the obligation, which he had contracted with the State, in the matter of the prosecution referred to. I consented, so far as to substitute other counsel in his stead, until his return. Robert J. Brent, Esquire, at my special instance, appeared in the place of Mr. May, and, accordingly, attended the Circuit Court for Washington County, at its last term, prepared to assist in the prosecution. I herewith transmit to you a report of the proceedings recently made to me, by the counsel for the State, in compliance with my direction. You will perceive that the Defence has raised a technical point, upon the supposed insufficiency of the Act, passed at your last session, Chapter 68, Section 2. As the first Circuit consists of the Counties of Allegany and Washington, the regular Judge was disqualified to preside at the trial, in the latter, as he had before been, in the former County. The provisional Judge, appointed in the former County, was now rendered *functus officio*, by the removal of the cause. At this juncture, the State offered to unite with the Defence, in the selection of a Judge to try the cause; which was declined. The Defence then raised the point that, the Act referred to, which was passed to carry into effect the twenty-second Section of Article IV of the Constitution, did not authorize the Clerk of a Circuit Court, into which an Indictment had been removed from another Court, to give the notice specified in the second Section of that Act, in order that the Judge of the adjoining Circuit might proceed to appoint a proper person to try the cause. Whilst the counsel for the State expresses a most decided opinion, "that all the proceedings, touching the removal of this cause to Washington County, are strictly legal and warranted by law," he nevertheless very properly advises, for the purpose of removing all difficulty upon grounds so technical, that a general declaratory Act should be passed, applying the second Section of the Act of 1852, Chapter 68, to all causes, which have been, or may hereafter be removed into another County, as it now applies to those pending in a Court, where they originated.

The next term of the Circuit Court for Washington County, will be held in March. It is the right of the Accused that he shall have a speedy trial. It is also due to the State and to Society,

that so grave a charge should be thoroughly investigated by a competent Tribunal. I therefore respectfully ask your early attention to the suggestions contained in the accompanying report of the counsel for the State.

Tobacco Warehouse No. 2, is represented to me as being in a very dangerous condition. In June last, the Inspector of Tobacco at that Warehouse, informed me that one of the walls had given way and would be in imminent danger of falling, if hogsheads were stored upon the second floor. The estimated cost of repair, as furnished me by the Inspector, was fifteen hundred dollars. I ascertained that immediate danger could be obviated, by leaving the second floor unused; otherwise, I should have ordered the repairs to be made, as a matter of necessity. The Legislature having appointed a committee, at its last session, for the express purpose of examining and reporting upon the condition of the several Warehouses, I did not feel disposed to do more, than the exigencies of the moment absolutely demanded; and accordingly I instructed the Inspector not to use the second floor of his Warehouse; but, rather to call upon the other Inspectors, or to rent out-rooms, if the increase of business required it. I now respectfully invite your attention to the matter.

During the past fiscal year, $2,555.40 were expended for the tuition of the Indigent Deaf and Dumb; and, $1,150, for the Indigent Blind. The sum of $683.33 has, however, been paid on account of the tuition of the Indigent Blind, for 1852, since the close of the fiscal year. No new beneficiary was sent to the Pennsylvania Institution for the instruction of the former; but, four were sent to the Pennsylvania Institution for the instruction of the latter. I herewith transmit, in compliance with the requirements of the act of 1849, chapter 209, a schedule, giving the names, places of residence, and other particulars of the beneficiaries admitted. You will perceive, from the schedule, that I have issued my warrant, in one case, for a term of five years only. The act referred to says that, the term shall not exceed eight years; which seems to imply a discretion in the Executive. In this instance, I curtailed the usual term, in consequence of the advanced age of the beneficiary, at the time of her admission.—In a communication received from the Principal of the Institution, since the transmission of that warrant, he expresses approval of the discrimination made; and adds that, "it is seldom they (the pupils) desire to stay the full time of eight years, unless when they are homeless." Of course, the benevolent policy of the State is intended to extend no further, than the education of its unfortunate beneficiaries; and, does not look to their ultimate support. Before closing this subject, I will remind you that the act of 1849, chapter 209, repeals all pre-existing laws relating to the Indigent Blind; amongst which, were to be found many excellent provisions; one of which required that the Executive should distribute the appoint-

ments to vacancies, amongst the Counties and the City of Baltimore, upon the same equitable rule, which still obtains in regard to the Indigent Deaf and Dumb. I have adopted that rule, as far as practicable. I also respectfully call your attention to the suggestion made in reference to that act, in my last Annual Message.

I have been informed by the Commissioner, that, many of the most important Title-Papers, in the Land Office, have been considerably mutilated by time and exposure. No provision has been made for recording them; and they are filed away in loose packages, which are constantly liable to accident. The State is pledged to make good titles to the lands granted by her; and yet, the evidences of many of the grants are daily perishing, for the want of the necessary means of preservation. It is a matter of much concern to the landholders of the State, that this danger to their titles should be promptly averted. I, therefore, recommend that a Committee be appointed, to examine into the condition of the Land Office, and to report such measures as may appear to be necessary.

I respectfully request that you will appoint a Committee, or authorize the one appointed, at your last session, to examine my vouchers for the expenditure of the sum which was appropriated to repair and furnish the Government House.

The importance of the decision which you are to make, in regard to the future financial policy of the State, and the very great interest which our Constituents feel, in the result of your deliberations on that subject, is my apology for having trespassed so far upon your time and patience.

E. LOUIS LOWE.

EXECUTIVE DEPARTMENT,
January 5th, 1853.